

AMENDED IN ASSEMBLY MAY 15, 2003

AMENDED IN ASSEMBLY APRIL 24, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 372

Introduced by Assembly Member Kehoe

February 14, 2003

An act to add Sections 1356.2 and 1798.184 to the Health and Safety Code, and to add Section 12981 to the Insurance Article 6.6 (commencing with Section 92680) to Chapter 6 of Part 57 of the Education Code, relating to poison control centers.

LEGISLATIVE COUNSEL'S DIGEST

AB 372, as amended, Kehoe. Poison control centers: funding.

Existing law, the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act, requires the Emergency Medical Services Authority to establish minimum standards for the operation, geographical service areas, and criteria for designation of poison control centers.

~~Existing law provides for the licensure and regulation of health care service plans, administered by the Department of Managed Care. Existing law also provides for the licensure and regulation of health insurers, administered by the Department of Insurance.~~

~~This bill would require the Director of Managed Care and the Commissioner of Insurance to assess, as prescribed, an annual fee on a health care service plan and a health insurer, as defined, whose employees, for purposes of providing services to enrollees or subscribers, utilize poison control centers, for the 2003–04 to 2007–08,~~

inclusive, fiscal years, to fund the expenses of the continued operation of poison control centers.

~~This bill would establish the Poison Control Center Fund in the State Treasury. The bill would authorize the expenditure, upon appropriation by the Legislature, of the moneys in the fund by the State Department of Health Services for the operation and administration of poison control centers pursuant to the bill, and by the Department of Managed Care and the Department of Insurance to cover the cost of billing and collection of fees assessed to health care service plans and health insurers pursuant to the bill.~~ *express legislative intent with respect to the funding of poison control centers.*

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~ no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. ~~(a)~~ *Article 6.6 (commencing with Section*
2 *92690) is added to Chapter 6 of Part 57 of the Education Code, to*
3 *read:*

4
5 *Article 6.6. California Poison Control System*

6
7 *92680. (a) The Legislature finds and declares all of the*
8 *following:*

9 *(1) The California Poison Control System (CPCS) is operated*
10 *by the University of California, San Francisco, School of*
11 *Pharmacy and. The CPCS began statewide operations in January*
12 *1997 through a contract with the state Emergency Medical*
13 *Services Authority (EMSA).*

14 ~~(b)~~

15 *(2) The CPCS serves the entire state through a single toll-free*
16 *telephone number, linking calls and case data between among four*
17 *answering sites and. The CPCS is currently preparing information*
18 *and procedures to prepare for nuclear, biological, and chemical*
19 *terrorism threats to California.*

20 ~~(c)~~

21 *(3) The CPCS helps save lives, managing more than 306,000*
22 *poison cases in 2002, 51 percent of which involved children under*
23 *the age of five years.*

24 ~~(d)~~

(4) Poisoning is the third most common form of unintentional death ~~and~~. *Nationwide*, the total annual direct costs associated with poisoning exceed, ~~nationwide~~, ~~\$3 billion~~ three billion dollars (\$3,000,000,000), which is more than the nation spends on gunshot wounds, burns, or drownings.

~~(e) The CPCS saves the state over fifty-five million dollars (\$55,000,000) annually in~~

(5) *The CPCS saves the state over \$55,000,000 annually in health care costs, averting 61,000 emergency department and physician office visits and reducing patient treatments by 24 percent and hospitalizations by 12 percent.*

~~(f)–~~

(6) In 2002, the EMSA's funding for poison control centers was cut as part of the Governor's Budget proposal, and no new funding has been identified.

~~(g)–~~

(7) This reduction in funding will cause the dismantling of valuable technology infrastructure and the dismissal of highly skilled, experienced staff, and the costs of reassembling these important and specialized resources are very high.

~~(h) There are about 23 million Californians covered by health~~

(8) *There are about 23,000,000 Californians covered by health maintenance organizations (HMOs) and preferred provider organizations (PPOs), and the annual cost of the continued operation of California's poison control centers is about thirty-five cents (\$0.35) per covered Californian.*

~~(i)–~~

(9) Poison control centers provide services directly to many health care service plans, ~~preferred provider organizations (PPO)~~ *PPOs*, and health insurers by responding to inquiries from employees of those entities who assist enrollees and subscribers, including advice nurses, emergency room physicians, and other health care professionals, and by other means.

(b) Subject to the inclusion of an appropriation in the annual Budget Act, it is the intent of the Legislature to provide full funding to the California Poison Control System at a level sufficient to fund full and continued operations of the poison control centers.

~~SEC. 2. Section 1356.2 is added to the Health and Safety Code, to read:~~

1 ~~1356.2. (a) (1) Notwithstanding Section 1365.1 or any other~~
2 ~~provision of this chapter, the director shall assess a health care~~
3 ~~service plan, as described in paragraph (2), a fee that shall be~~
4 ~~determined pursuant to Section 1798.184, and used to support the~~
5 ~~operation of poison control centers as provided in Section~~
6 ~~1798.184.~~

7 ~~(2) A fee shall be assessed pursuant to paragraph (1) upon any~~
8 ~~health care service plan, including a preferred provider~~
9 ~~organization (PPO) required to be licensed under this chapter,~~
10 ~~whose employees, for purposes of providing services to enrollees~~
11 ~~of the health care service plan, utilize poison control centers.~~

12 ~~(b) The director shall notify each health care service plan~~
13 ~~subject to subdivision (a) of the assessment on or before June 15~~
14 ~~of each year with the annual assessment notice issued pursuant to~~
15 ~~Section 1356, except that for the 2003-04 fiscal year, the director~~
16 ~~shall notify the health care service plan on or before January 31,~~
17 ~~2004.~~

18 ~~(c) The assessed fees required under subdivision (a) shall be~~
19 ~~paid on an annual basis on or before August 1 of each year, except~~
20 ~~that for the 2003-04 fiscal year, the assessed fees required under~~
21 ~~subdivision (a) shall be paid on or before March 1, 2004. The fee~~
22 ~~shall be no greater than each health care service plan's estimated~~
23 ~~proportionate share of costs incurred by poison control centers in~~
24 ~~providing services to health care service plans.~~

25 ~~(d) The director shall forward assessed fees collected pursuant~~
26 ~~to this section to the Controller for deposit in the Poison Control~~
27 ~~Center Fund immediately following receipt of the fees.~~

28 ~~SEC. 3. Section 1798.184 is added to the Health and Safety~~
29 ~~Code, to read:~~

30 ~~1798.184. (a) (1) In order to assure the continued operation~~
31 ~~of California's poison control centers, there is hereby established~~
32 ~~in the State Treasury the Poison Control Center Fund. The fund~~
33 ~~shall be expended to support the operation of poison control~~
34 ~~centers as provided in subdivision (d).~~

35 ~~(2) The fund shall consist of assessed fees collected by the~~
36 ~~Director of Managed Care pursuant to Section 1356.2, and the~~
37 ~~Commissioner of Insurance pursuant to Section 12981 of the~~
38 ~~Insurance Code.~~

39 ~~(b) (1) For the 2003-04 to 2007-08, inclusive, fiscal years,~~
40 ~~each health care service plan, described in paragraph (2) of~~

1 ~~subdivision (a) of Section 1356.2, and each health insurer that~~
2 ~~provides health insurance, as defined in Section 106 of the~~
3 ~~Insurance Code, as described in subdivision (a) of Section 12981~~
4 ~~of the Insurance Code, shall be assessed an annual fee in an amount~~
5 ~~determined by regulation, consistent with this subdivision.~~

6 ~~(2) The amount of the fee shall be determined by the~~
7 ~~Department of Managed Care and the Department of Insurance, in~~
8 ~~consultation with the State Department of Health Services.~~

9 ~~(3) The total assessment on health care service plans and health~~
10 ~~insurers shall not exceed the lesser of the following:~~

11 ~~(A) The amount necessary to fund the actual and necessary~~
12 ~~expenses of the continued operation of poison control centers.~~

13 ~~(B) Eight million dollars (\$8,000,000).~~

14 ~~(4) The fee assessed each health care service plan and health~~
15 ~~insurer shall not exceed the health care service plan's and health~~
16 ~~insurer's estimated proportionate share of the costs incurred by the~~
17 ~~poison control centers in providing services to health care service~~
18 ~~plans and health insurers.~~

19 ~~(c) In coordination with the State Department of Health~~
20 ~~Services, the Department of Managed Care, pursuant to Section~~
21 ~~1356.2, and the Department of Insurance, pursuant to Section~~
22 ~~12981 of the Insurance Code, shall assess the health care service~~
23 ~~plans and health insurers, respectively, for the costs required to~~
24 ~~fund activities pursuant to subdivision (b).~~

25 ~~(d) Moneys deposited in the Poison Control Center Fund may~~
26 ~~be expended, upon appropriation by the Legislature, as follows:~~

27 ~~(1) By the State Department of Health Services for the~~
28 ~~operation and administration of poison control centers pursuant to~~
29 ~~this section.~~

30 ~~(2) By the Department of Managed Care and the Department~~
31 ~~of Insurance to cover the cost of billing and collection of fees~~
32 ~~assessed pursuant to this section.~~

33 ~~(e) For purposes of this section, "health insurance" does not~~
34 ~~include Medicare supplement, vision-only, dental-only, or~~
35 ~~CHAMPUS supplement insurance or hospital indemnity,~~
36 ~~accident-only, or specified disease insurance that does not pay~~
37 ~~benefits on a fixed benefit, cash payment only basis.~~

38 ~~SEC. 4. Section 12981 is added to the Insurance Code, to read:~~

39 ~~12981. (a) Notwithstanding any other provision of this~~
40 ~~division, the commissioner shall assess a health insurer that~~

1 provides health insurance, as defined in Section 106, whose
2 employees, for purposes of providing services to subscribers of the
3 health insurer, utilize poison control centers, a fee that shall be
4 determined pursuant to Section 1798.184 of the Health and Safety
5 Code and used to support the operation of poison control centers
6 as provided in Section 1798.184 of the Health and Safety Code.

7 (b) The commissioner shall notify each health insurer subject
8 to subdivision (a) of the assessment in accordance with the notice
9 for the annual assessment or quarterly premium tax revenues.

10 (c) The assessed fees required under subdivision (a) shall be
11 paid on an annual basis on or before August 1 of each year, except
12 that for the 2003–04 fiscal year, the assessed fees required under
13 subdivision (a) shall be paid on or before March 1, 2004. The fee
14 shall be no greater than each health insurer's estimated
15 proportionate share of costs incurred by poison control centers in
16 providing services to health insurers.

17 (d) The commissioner shall forward assessed fees collected
18 pursuant to this section to the Controller for deposit in the Poison
19 Control Center Fund immediately following receipt of the fees.